

MOORE FANS LLC

800 S. Missouri Ave.
Marceline, MO 64658-1602
Phone: 660 376 3568 Ext. 526
Fax: 660 376 2909
www.MooreFans.com

We are a small business in Missouri and are writing to ask you to vote against HR6264 AND COMPANION S4026 that were introduced on September 29, 2006. These bills deal with the taxation of dividends from Domestic International Sales Corporations (DISCs).

According to the Jobs and Growth Tax Relief Reconciliation Act of 2003, these dividends were taxed at the 15% Federal income tax rate in the same manner as capital gains. To be more competitive in the global marketplace, our company has undertaken to make use of this incentive at considerable time and expense.

HR6264 AND COMPANION S4026, if approved, would make these dividends taxable at ordinary Federal income tax rates. This will raise the tax rates for the individuals who own shares in DISCs making them a less attractive investment and eventually costing Missouri jobs due to a decrease in products exported outside the United States.

The use of DISCs will increase the volume of exports from Missouri. It is also the only export incentive that has not been attacked by the World Trade Organization.

Not only do HR6264 AND COMPANION S4026 take away the tax benefit, they also backdate the date of the tax increase to the date the bill was introduced on September 29, 2006.

Thank you for allowing us to express our concerns and we hope you will examine HR6264 AND COMPANION S4026 and decide not to vote in favor of their passage.

If you wish to discuss this further, I can be reached at my work number or by E-Mail at Carol.Schreckhise@MooreFans.com